

Washington, DC - Rep. John Hall (NY-19) chaired a hearing of the House Veterans' Affairs Subcommittee on Disability Assistance and Memorial Affairs today to examine the Department of Veterans Affairs (VA) oversight of the finances of veterans who are not able to manage them on their own. Since 1926, the VA's Fiduciary Program has helped veterans who are incapable of maintaining their own finances due to injury, disease, age or infirmity by providing individuals to assist these veterans. Because these individuals, or "fiduciaries," manage tens of thousands of dollars on behalf of veterans, it is important that the VA conduct vigorous oversight of fiduciaries.

Recent government investigations have found numerous cases of fraud and abuse on the part of people appointed to oversee the finances of veterans on their behalf. Congressman Hall said, "It's unconscionable that anyone would take advantage of a veteran who, as a result of their service to this country, isn't capable of managing his or her own affairs. The VA has got to do a better job of oversight. All of us on this committee intend to make sure that happens."

A report just published by the VA Office of Inspector General found that between 1998 and 2010, fraud investigations resulted in 132 arrests and lead to the recovery of \$7.4 million. One case involved the submission of false reports by a woman appointed to oversee the finances of 33 disabled veterans. She was found to have embezzled nearly \$1 million, which she reportedly used to support her gambling habit.

According to the OIG report and another report by the Government Accounting Office, the VA has done a poor job of following-up on overdue accounting reports, has not consistently verified questionable expenses on reports, and is not adequately investigating reports of misused funds.

"I am disappointed that despite serious problems identified four years ago, the VA has yet to bring the Fiduciary program to a place where we can be confident that vulnerable veterans are being well served," said Chairman Hall. "The VA needs to take action right away to ensure that no one is taking advantage of our most vulnerable veterans."

Today's hearing follows yesterday's unanimous approval by the House of Representatives of a measure that will offer financial assistance to family members who care for disabled veterans, and provide for respite care for family and other caregivers of veterans. It will also provide health care for the newborn children of women veterans, and expand health care to veterans in rural areas.

"This measure will make a world of difference to thousands of returning veterans, and their families," Congressman Hall said. "Its passage marks the recognition by all of us in Congress that the sacrifice endured by our men and women in uniform extends to their families," he added.